UNDP

# UNITED NATIONS DEVELOPMENT PROGRAMME

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ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
INDONESIA

IPF:(1987-91) $65 686 000

(INS/86/016) - East Java Manpower Development and Training

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| Date of approval: | 23 October 1990 |
| Expected duration: | Three years and three months |
| Proposed executing agency: | International Labour Organisation (ILO) |
| Proposed UNDP contribution: | $737 600 Source of funds: IPF |
| Government cost sharing: | $7 215 900 |
| Total UNDP budget: | $7 953 500 |

## Project background

The Government of Indonesia, under Repelita IV (1981-1989) is committed to improving the quality of manpower and expanding employment opportunities for its rapidly growing workforce. Manpower policies have been thus formulated to stimulate job creation in the agricultural, informal and manufacturing sectors.

The manufacturing sector, which has enjoyed a comparatively fast growth rate, particularly in the areas of metals, machinery and chemical processing, has been earmarked as a sector for further expansion. Even if the expected rates of industrial growth are lower than anticipated, the need for skilled workers will continue to exceed supply. Outside the industrial sector, skills training is necessary for those wishing to become productively self-employed or to enter the informal sector. To address these training needs, the Department of Manpower has established Vocational training Centers (BLKs) to provide three to four months basic skills training to unemployed youth in the occupational areas of automotive, mechanical, construction, electrical, welding, commercial, secretariat, handicraft and agricultural work.

To extend the influence and improve the quality of thes training programmes, the Government of Indonesia had approached UNDP and ILO to provide technical assistance under the project (INS/78/015) Skills Development Centre, Surabaya.

In late 1985, IBRD approached UNDP Jakarta with a proposal for UNDP to participate in a new national vocational training project: Manpower Development and Training being implemented by the Government of Indonesia with funds obtained under an IBRD loan of approximately (US) $58 million. Since the objectives of the new national programme were similar to the objectives and the developments in vocational training of the regional project (INS/78/015) based in Surabaya, IBRD sought UNDP participation in order to incorporate the significant experience already gained. Consequently, a draft project docu-

ment for the present project (INS/86/016) was prepared to continue the work being undertaken at the regional level in addition to new activities such as in-plant training, joint industrial vocational training, staff development, training for self-employment, supervisory training and mobile training systems.

## Description of project

The development objective of the project is to establish an integrated, fully staffed regional vocational and industrial training system in East Java capable of emulation on a national level, with functioning links between the regional activities and the management structure within the Department of Manpower, including an effective and dynamic regional Vocational Training Council.

Project activities will include: (a) establishing formal organizational bodies; (b) upgrading management staff, instructors and trainees, and conducting practical in-plant training and apprenticeships, curriculum development, material production, testing and certification; (c) promoting employment generating programmes in the informal sectors to stimulate entrepreneurship and self-employment; and (d) developing the Mobile Training Unit to identify and stimulate rural employment potential.

## Inputs

UNDP will provide 364.5 work-months for international expertise, 154.5 work-months for UNVs, 414 work-months for national professional staff; individual fellowships, group training and in-service training; equipment; administrative support; official travel; and miscellaneous costs including operation and maintenance of equipment.

## Financial data

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| Personnel | 4 536 800 |
| Training | 2 780 600 |
| Equipment | 355 700 |
| Miscellaneous | 280 400 |
| Total | 7 953 500 |

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